

JORDAN TIMES

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Arab, industrialised nations boost U.N. development fund

GENEVA, March 15 (R). — Leading industrialised nations and three Arab oil-producing states today agreed in principle to boost a United Nations fund for helping poor countries by about 75 per cent to \$7.6 billion, diplomatic sources said. During a two-day meeting here, senior finance ministry officials from 23 industrialised states and Saudi Arabia, Kuwait and the United Arab Emirates agreed to step up allocations to a three-year fund of the United Nations International Development Association (IDA). The allocations, still to be formally put to the IDA's executive directors, will be used to provide the poorest developing countries with cheap loans.

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Arab prisoners in Ramleh jail begin hunger strike

PIED JERUSALEM, March 15 (R). — Several dozen Arab prisoners serving terms in Ramleh for security offences began a hunger strike at the prison today, Israeli prison authorities said. The strike was planned to last 24 hours, but it ended at the start of the hunger strike. Ramleh, west of occupied Jerusalem, is the largest of the three similar 24-hour action centers at Ramallah jail occupied West Bank, a man for the prisons said. He added that all but five of the prisoners at Ramallah were on a hunger strike. The prisoners, mainly Palestinian, have been protesting against conditions of confinement. The military forces claim that the strikes are part of an on-going guerrilla movement.

PLP denies softening stand on settlement

March 15 (AFP). — A Popular Front for the Liberation of Palestine (PFLP) spokesman today denied there was any change in its stand on settlement of the West Bank. The spokesman, Bassam Abu Nida, said at a news conference that the PFLP's stand on settlement was "unchanged". He added that the PFLP's stand on settlement was "unchanged". He added that the PFLP's stand on settlement was "unchanged".

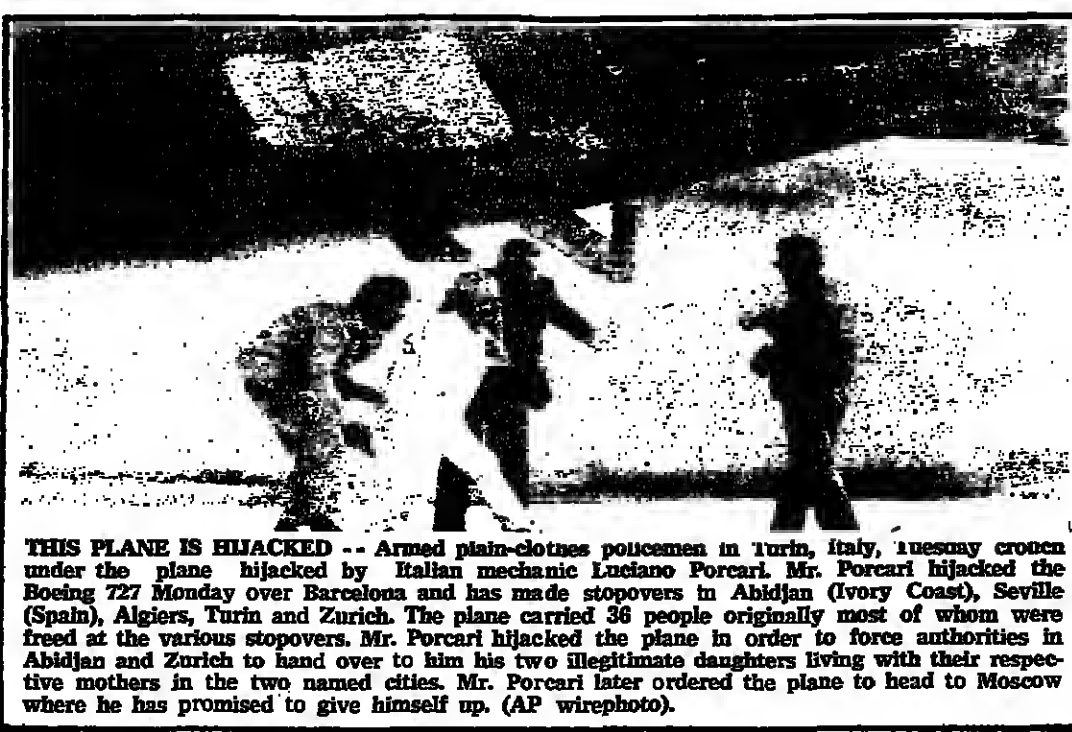
Of Carter's remarks on M.E. Lebanese F.M. cautions against hasty judgement

BEIRUT, March 15 (R). — Lebanese Foreign Minister Fuad Boutros today cautioned against hasty judgement of President Jimmy Carter's suggestion of "defensible boundaries" for Israel. Mr. Boutros, who told reporters he received the full text of President Carter's statement yesterday, said his remarks raised more questions than they answered. At a news conference last week, President Carter said: "The recognized borders have to be mutual. The Arab nations, the Israeli nation, have to agree on permanent and recognised borders, where sovereignty is legal as mutually agreed. Defence lines may or may not conform in the foreseeable future to those legal borders."

Palace adviser Sultan Lutfi says in interview

Tax, labour policies can help offset grim social consequences of inflation

rich upper class benefits from the fruits of inflation while the middle and lower class people with fixed incomes are caught in a difficult and dangerous squeeze. He related the inflation and labour worries by pointing out that a country normally has a "cushion" of unemployed people who can be brought into the labour force when they are needed in times of an economic boom. Jordan, with full employment, no longer has this pool of reserve workers. It is this cushion, Mr. Lutfi said, that is often used to fill the shortages in the labour force as well as to keep wages and salaries stable to counter inflationary pressures. With Jordan's peculiar labour force structure (high emigration rate, low participation by women, low percentage of working people in relation to the entire population) the country does not have many courses of remedial action open to it. Mr. Lutfi explained: "We cannot afford our inflation rate with our full employment situation, but we have few options. We'd like to retain our skilled workers here in Jordan where



THIS PLANE IS HIJACKED — Armed plain-clothes policemen in Tunis, Italy, Tuesday crouched under the plane hijacked by Italian mechanic Luciano Porcari. Mr. Porcari hijacked the Boeing 727 Monday over Barcelona and has made stopovers in Abidjan (Ivory Coast), Seville (Spain), Algiers, Tunis and Zurich. The plane carried 36 people originally most of whom were freed at the various stopovers. Mr. Porcari hijacked the plane in order to force authorities in Abidjan and Zurich to hand over to him his two illegitimate daughters living with their respective mothers in the two named cities. Mr. Porcari later ordered the plane to head to Moscow where he has promised to give himself up. (AP wirephoto).

Indian opposition claims attack on Sanjay Gandhi an election gimmick

NEW DELHI, March 15 (R). — The main Indian opposition group today charged that an assassination attempt on Prime Minister Indira Gandhi's younger son had been fabricated on the eve of the general elections. Government leaders said a deliberate attempt had been made on the life of 30-year-old Sanjay Gandhi last night while he was completing a campaign tour of his north Indian constituency. But the opposition Janata Party described the incident as a "stage-managed fabrication". "I am convinced that the incident just did not occur," Janata Party Secretary General Surendra Mohan told a crowded news conference here. He demanded an immediate judicial inquiry into the incident. Senior cabinet ministers and chief ministers of several states blamed the shooting on a psychosis of terror and violence which they said the opposition parties had whipped up. Voting takes place tomorrow for 300 of the 540 seats at stake in the new parliament, with some 190 million people eligible to cast their ballots. The remaining 240 contests will be decided over the next four days. First results will be announced when polling is completed across the country on Sunday evening.

Syria seeks revival of Soviet aid

DAMASCUS, March 15 (R). — Syria hopes that President Hafez Assad's forthcoming visit to Moscow will lead to the revival of Soviet military and economic aid, political sources said here. They said this aid has been cut to the minimum since mid-1976 when Syrian troops moved into Lebanon in force at the very moment when Soviet Premier Alexei Kosygin was in Damascus. President Assad is expected to go to Moscow before he meets U.S. President Jimmy Carter in Europe early in May. He last visited the Soviet capital in October 1975. Official sources said the arrangement of Mr. Assad's visit to Moscow follows two months of diplomatic activity by Soviet Ambassador Nuretdin Mukhitdinov and other envoys. It claims, however, that it still has its traditional support in the villages, were 80 per cent of the Indian population live. Mrs. Gandhi rounded out her election campaign today with an appeal to Indian voters to return the Congress Party to power to "safeguard unity and secularism, to overcome poverty and to uphold India's dignity in the world."

Israel will tell Genscher: EEC "should not" interfere in Middle East politics

OCCUPIED JERUSALEM, March 15 (R). — Israel will tell West German Foreign Minister Hans-Dietrich Genscher, who arrives tomorrow on a short visit, that the European Economic Community (EEC) should not interfere in Middle Eastern politics, government officials said today. The officials said they were very anxious to hear Herr Genscher's impressions of his recent visits to Arab countries. Herr Genscher will meet Prime Minister Yitzhak Rabin and Defence Minister Shimon Peres before leaving on Friday. Middle East problems will figure prominently, and Israel will inform Herr Genscher that EEC interference in the area's political affairs is not conducive to reaching an understanding between Israel and the Arabs, Israeli sources said. In a separate development from Herr Genscher said today on his return from Washington that he and American officials reached "broad agreement concerning the important problems". He said that his talks with President Jimmy Carter included the subject of West Germany's contract to sell nuclear power plants to Brazil.

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Chirac will be mayor of Paris

PARIS, March 15 (R). — Gaullist leader Jacques Chirac is expected to be elected mayor of Paris on Sunday after striking a deal today with the rival government candidate nominated by President Valéry Giscard d'Estaing. The agreement between M. Chirac and Industry Minister Michel d'Ornano was designed to prevent the post, ranked third after the presidency and the premiership for power, from falling to the leftwing opposition. The pact obliges each man to withdraw from Sunday's second round of voting in precincts where he trailed his rival in the first round last Sunday. M. Chirac had a decisive edge over M. d'Ornano in 11 of the 18 districts in the first round, and the two men together won just over half the votes. The agreement helped to defuse tension in government ranks but fell far short of a reconciliation between the president and M. Chirac, whose rivalry has been intensifying since the Gaullist chief resigned as premier in a policy dispute last August.

Khleifawi arrives here today

DAMASCUS, March 15 (R). — Syrian Prime Minister Maj. Gen. Abdul Rahman Khleifawi leaves for Amman tomorrow for talks with Jordanian leaders on the Middle East situation, and further steps towards a possible unification between the two states, officials said here today. The officials said the Prime Minister would be accompanied by Foreign Minister Abdul Halim Khaddam.

Forlani on last leg of Mideast tour

BEIRUT, March 15 (R). — Italian Foreign Minister Arnaldo Forlani arrived here today for a short visit to Lebanon as part of a Middle Eastern tour. Mr. Forlani, who has already visited Egypt and Syria, will have talks with Lebanese Foreign Minister Fuad Boutros on bilateral relations and the Middle East crisis. He will also be received by President Elias Sarkis before leaving for home. Before leaving Damascus airport Mr. Forlani spoke to reporters about Italy's role in solving the middle east problem. He said: "We want to participate in all initiatives aiming at finding a just and durable peace in the region." "We in Italy believe that Syria's attitude is decisive in creating suitable conditions for peace. I am confident that President Assad works for finding peaceful conditions," he added.

U.S. embargo doesn't worry Smith

SALISBURY, March 15 (R). — Prime Minister Ian Smith said tonight the reimposition of the United States embargo on imports of Rhodesian chrome would have a minimal effect on his country's economy. Mr. Smith said the repeal of the amendment would be an example of the direct pressures applied to Rhodesia "designed to weaken our resistance." In a radio and television broadcast he said: "In fact the repeal will have a minimal effect on our economy. The Americans must be well aware of this but they presumably believe their action will weaken our resolve. They will find that their assessment was wrong." (see U.S. Senate votes — p. 6)

Security Council defers M.E. debate

UNITED NATIONS, March 15 (R). — The Security Council today agreed to give priority to African issues, beginning with debate on the Rhodesia situation next Friday, and to defer consideration of the Middle East question. Egyptian Ambassador Ismat Abdul Meguid said yesterday he wanted an early council meeting to consider the failure of efforts so far to reconvene the Geneva peace conference. But, after a private meeting of council members today, under the presidency of U.S. Ambassador Andrew Young, a U.N. spokesman announced that priority would go to African questions. Diplomatic sources said black African states were unwilling to have the Middle East situation debated first. These sources also said it appeared unlikely that the council would deal with the Middle East until April. Secretary General Kurt Waldheim will be away from March 30 until about the second week of April and members would want him present when they consider his report on his recent Middle East peace mission, the sources added. These, in order, are the questions the council agreed today to debate: The Rhodesian situation, March 18, Beoin's complaint of aggression committed by foreign mercenaries, on a date after completion of the South Africa debate, the Middle East, also after the South Africa debate, on a date to be decided later. Diplomatic sources said the council would probably defer until June consideration of the situation in Namibia (Southwest Africa) and that its meetings on that question might be held somewhere in Africa — possibly Port Louis, Mauritius, or Gaberone, Botswana. President Carter will visit the U.N. on Thursday to address representatives of member states and others. There have been advance indications that he may take the opportunity to express a firmer U.S. policy against apartheid and the white minority government in Rhodesia.

Police clash with Karachi demonstrators

ISLAMABAD, March 15 (R). — Police fought running battles in the streets of Karachi for several hours today to break up opposition demonstrations calling for the resignation of Prime Minister Zulfikar Ali Bhutto and fresh general elections. At least 30 people were reported to have been hurt in demonstrations in Karachi, Lahore and Multan on the second day of a nationwide protest movement launched by the opposition Pakistan National Alliance (PNA). Opposition sources claimed there had been widespread arrests of PNA officials and supporters involved in the mass agitation campaign. The nine-party alliance called for a mass movement to protest against what it charged were rigged elections last week which returned Mr. Bhutto and his ruling Pakistan People's Party (PPP) to power. The PNA leadership said the movement would continue until Mr. Bhutto handed over power to a caretaker government and fresh elections were held under army supervision.

Basque separatists warn Spanish cabinet: We will tolerate no more deaths

SAN SEBASTIAN, Spain, March 15 (R). — The Basque nationalist guerrilla organisation ETA virtually declared war on the Spanish government today after a five-month ceasefire. In a communiqué, the ETA blamed the government for political violence which has claimed four lives in the Basque region in the past week. The communiqué was distributed as armed riot police patrolled San Sebastian a few hours before the funeral of a 20-year-old youth, hit by a police rubber bullet during a demonstration last Saturday. The ETA said the government was solely to blame for the violence, but added: "We will not renounce violence and leave our people undefended from the murderous rubber bullets of the police and civil guard." It said the shooting of three parliamentary civil guards, one of whom died, in the village of Mondragon last Sunday had been carried out to avenge the police killing of two ETA guerrillas five days before. "We are not ready to tolerate any more deaths," the communiqué said. "We will not use violence, to upset democracy — but only if a real democracy and real freedom is established and all repressive fascist forces have been dissolved." The ETA said it would refrain from violence if all political prisoners were released under amnesty measures announced by the government last week. San Sebastian's mayor, Senor Fernando de Otazu y Zulueta, today appealed for calm in the elegant summer resort and asked citizens not to provoke the security forces "in order to avoid police excesses and in some cases inexplicable repression." Thousands of students and teachers today obeyed calls for a general strike in protest at the death of the 20-year-old student on Saturday. Most shops and factories, however, ignored the fifth call for a general strike in 10 days in the Basque region. The Spanish cabinet was meanwhile meeting to draw up rules for general elections in June, but the meeting was overshadowed by the outburst of political violence in the Basque country and rioting in the Canary Islands of Tenerife. In Tenerife, rioting students and unemployed workers fought police with firebombs and stones in the town of Laguna during the night. Shouting slogans for the independence of the Canary Islands, the demonstrators burned buses, overturned cars, sacked shops and set fire to the state Labour Union Office. In Madrid, informed sources said the cabinet was putting the finishing touches to a new electoral law which would require officials to resign if they wanted to run in the elections. The law was expected to lead to a cabinet reshuffle as some ministers including the Vice Premier, Senor Alfonso Osorio, have shown indications to form a political party. The sources said a major preoccupation of Prime Minister Adolfo Suarez was to thwart a rightwing or leftwing victory at the polls and to ensure a centrist majority in the new parliament.

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Flawed lawmakers

The U.S. House of Representatives has voted to reimpose the embargo on American chrome purchases from Rhodesia, in an action that once again highlights the principle of a nation's right to impose economic sanctions to achieve political ends. The House of Representatives has acted honourably, and we send along to its members our profound expression of admiration. But, as with all things in life, every coin has two sides, and the other side of this American act is inglorious.

We wonder by which processes of intellectual reasoning the House of Representatives finds it proper to use the weapon of an economic boycott to pressure Rhodesia, but simultaneously improper for the Arabs to use their economic boycott to pressure Israel? We are impressed by the American commitment to justice in Rhodesia, but dismayed by the hypocritical American stand on the Arab boycott of Israel. We do not see where the House of Representatives has the international authority to distinguish between acceptable and unacceptable economic sanctions, and we think the House forfeits a great deal of whatever innate feelings of justice it thinks it contains within its membership when it refuses to accept the application by other people of the exact same kinds of economic sanctions that it applies itself against Rhodesia. If the distinction is not clear to the House members, it is something they should examine soon before they contradict themselves even more.

It will do the American government no good to keep moving, as it is, by prodding justice in one part of the world and treading on it in another. The ghosts of this hypocrisy will not lie still forever, and there will come a time when the congressmen who legislate moral duplicity in the name of the American people will have to account for the full meaning of, and reasons for, their ethical and legislative inadequacies.

This is nothing new that comes out of the U.S. Congress this week. But in its affirmation of the Zionist-induced moral flaw that continues to afflict the Congress and the Congressmen, we think it is especially awkward for the American people to have to endure this kind of thing at a time when the new thrust of the American government has tried to stress issues of moral rectitude and universal justice. It seems that Zionism retains a veto power on the global application of justice as this is perceived and legislated by the American Congress.

Are the intellectual honesty and egalitarian law-making motives of the American Congress also part of the price that the world pays for Israel?

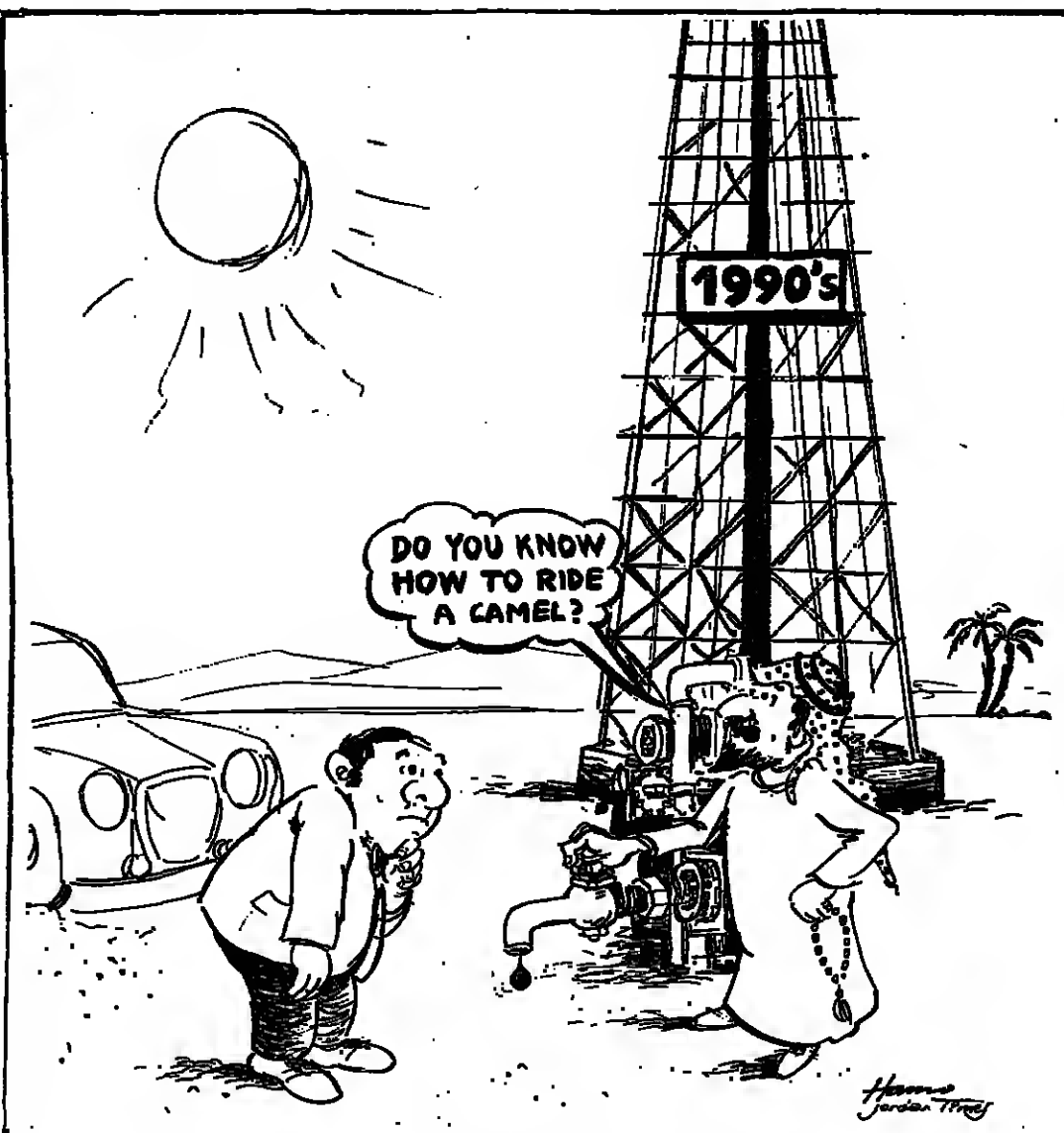
ARAB PRESS COMMENTARY

One Jordanian daily commented in its Tuesday editorial on the human rights campaign carried out by the U.S. and its alleged criticism of Israeli practices in the Arabs' occupied territories, while a second daily took up in its editorial the Arab countries' reluctance to honour their pledges in continuing to finance the peace keeping force in Lebanon.

AL RA'I considers it strange for the United States on the one hand to criticise Israeli practices in the Arab occupied territories, and define them as being violations of human rights principles, while on the other hand it finds it normal and logical to continue its financial, military and diplomatic support for Israel. The United States, at present is blatantly playing up the human rights question throughout the world, in particular with the Soviet Union, where it trespasses the principle of détente between the two superpowers by criticising that country and various Latin American countries, for their violations of rights. The paper has a number of reservations on the U.S. criticism of Israel. When criticising the Soviet Union, the paper remarks, the U.S. has only in mind the rights and interests of the Russian Jews who want to leave for either Israel or other countries according to their Zionist wishes. But when criticising Israel, the U.S. does so for the sake of criticism alone and does not follow it up with moral

condemnation. This makes us suspect, the paper concludes, that the U.S. criticism of Israel is just a cover for the one it is launching against the Soviet Union to compel it to allow the Jews to emigrate from Russia.

AL DUSTOUR, wonders about the reasons behind the Arab countries' reluctance to pay up the remaining part of the financial aid promised in support of the Arab peace keeping force in Lebanon. Does it result from the Arabs' wish to reduce the number of these forces after they have become convinced that real peace has finally been reached there? And if so, is it a unanimous Arab conviction or just a unilateral one? Peace in Lebanon, the paper says, as everyone knows, is an imposed one by the Arab peace keeping force, as long as a Lebanese political settlement has not been concluded. The Lebanese forces are not yet capable of extending their authority over all Lebanese territory. And no Arab could expect Syria to assume the financial burden behind that responsibility alone, which is the most logical reason behind the reported withdrawal of 16,000 Syrian soldiers from Lebanon, the paper adds. The paper warns against this reluctance and says that it will have a negative effect on the decisions adopted at the Arab summit on Lebanon. The withdrawal of Syrian forces will also weaken the Arab peace keeping force at a time when Lebanon needs such a force to establish security throughout the whole of Lebanese territory. In particular, the need is great at the present time as the Lebanese government has started to impose its authority over south Lebanon. Should the Arabs be reminded once again, that the peace keeping force has saved their dignity and, the paper concludes, that in their reluctance to finance its operations, they will be harming themselves?



Tax, labour policies can help offset grim social consequences of inflation

(Continued from page 1)

five people. If we look at women, we find that only 3.9 per cent of all Jordanian women work, which is far too low. Of the total work force, women make up just two per cent.

Mr. Lutfi suggested that "the entire tax management and tax collection system should be strengthened" as part of a total package of monetary and fiscal policies to fight inflation. He stressed the tax programme because it serves two purposes simultaneously: It absorbs some of the excess purchasing power in consumers' hands that helps fuel inflation, and it gives the state money that can be redistributed to bridge the gap between rich and poor.

Mr. Lutfi explained that, as a rule of thumb, a government should collect in taxes an amount equivalent to 10 per cent of the nation's gross national product (GNP). With Jordan's GNP of JD 375 million, the state should therefore collect about JD 37 million in taxes.

In fact, last year it collected just JD 11 million, and JD 12 million in 1975, far below what it should have collected.

Mr. Lutfi suggested that a tightened-up tax programme would be a big shot in the arm for the state's anti-inflationary efforts, and it would also give it the added revenues to invest in providing essential social services to help bridge the widening gap between upper class people and the fixed-income middle and lower class groups.

He ties this in with the need to view economic and social planning in Jordan from a wide-angle perspective that takes in the long-term economic and human implications of current economic activities.

What has happened in Jordan, he says, is that a country with a traditionally large and predominantly middle class population has suddenly found itself with a group of very rich people living in selected regions of Amman. Mr. Lutfi explains: "A few years ago, because of the extended family system, Jordan was almost entirely made up of a middle class population. But those people who owned some land suddenly have become rich upper class citizens, at the expense of a thinning middle class. The gap between these groups is widening, and it worries us. Inflation hits the fixed-income people the hardest, while the fruits of inflation go to the rich. We have to take a look at our planning aims and our economic situation and consider the full social and human implications. In striving for balanced growth, we cannot allow all the new water and sewage facilities to be put in Jabel Amman or Jabel Hussein, for example. What would happen to the people who live in the rest of Amman? They could become almost like pariahs, living off others and eating away at the rest of the population. And what about the taxes? Everybody pays taxes, but where is the tax money spent? When we talk about the social impact of the plan, we have in mind such things as housing in the main Amman-Zarqa axis, which contains many neglected areas. We need to watch out for unfair distribution of services, and to plan ahead in a manner that

tries to avoid this. One of the ways this can be done is to take a comprehensive, long-term look at the growth of the country and to ask ourselves whether in 20 or 50 years time we want to have Amman as one big city-state? We have an ugly picture of the status quo as it is today, with a tremendous concentration around Amman. We can try to plan ahead according to alternative social units, where jobs, housing and services are available on a decentralised basis.

"Another example is the health situation, where we are studying the idea of a national health plan that integrates the needs of the private sector, state employees and the armed forces, instead of each sector having its own facilities. We are trying to look into the questions of who pays for health care today, and who benefits. We do not want to reach the point where we set up large new projects throughout the country, such as the potash plant or the fertiliser industry in Aqaba, only to find that those workers who live there are not within reach of a hospital."

Mr. Lutfi said that this kind of comprehensive planning on a national scale has not been done by individual government departments, but that it is now being initiated by economic planners in the Crown Prince's office, in close cooperation with such institutions as the National Planning Council and the University of Jordan.

"We're not a formal body," he says, "but we try to act like the economic and social conscience of the country."

Economic troubles threaten Lisbon's independent socialism

Portugal is in deep trouble financially. So after the habits of nearly 50 years, it is tempting to turn back to a powerful father-figure who will balance the nation's books -- even at the cost of freedom. Advocates of authoritarianism are emerging into the light of day.

By Diana Smith

LISBON, (E.T.) — "If we cannot cure the economy, we have no hope of democracy, let alone socialism," said Sr. Mario Soares, Prime Minister of Portugal, recently.

The Portuguese economy is on the danger list. There are doubts as to whether the 50-item package of emergency measures which have just been rushed through by Soares' minority Socialist Government, can alleviate even part of the disease.

The measures include devaluation of the escudo -- explained by the government as a means of attracting both tourism and greater remittances from the 1.5 million Portuguese working abroad -- as well as making exports more competitive. Basically, however, they are a concession to the IMF, linked to the administration of a \$1.5 billion consortium loan sponsored chiefly by the United States. The consortium made it clear that the Portuguese government must drastically reduce its huge balance of payments deficit (\$535 million at the end of 1976), and cut public spending, before it can expect substantial IMF credits.

The IMF recommended a devaluation of 20 to 25 per cent, as did international economists in October 1976. However, the Portuguese authorities felt that 15 per cent was all they could manage, in view of the need to import more than 52 per cent of foodstuffs and nearly all essential raw materials for manufacturing industries.

There is an estimated bill of \$500 million for imported food this year, and widespread condemnation of the high cost of meat, fish and other essentials. The government could not afford to give ammunition to those who accuse it of deliberately allowing the cost of living to soar and make workers pay for the economic crisis.

As a sop to wage earners and housewives, the government created a "shopping basket" of items whose prices will be frozen for a year. This is a mixed blessing, however. The state can only afford \$150 million in subsidies. It must let the price of fresh meat and fish rise freely. Thus, two days after the emergency package appeared, most fresh meat and fish rose to about £4 a kilo -- well beyond the means of average households.

Neither tourism nor emigrants' remittances will rise rapidly as a result of devaluation. Tourist accommodation is fully booked for the summer season and Portuguese tour-

ists, who are limited to taking out £100 in foreign currency, have taken a large share of the rooms. And Portuguese working abroad -- despite new tax exemptions on interest from long-term deposits -- are sensitive to the political uncertainties and still not over-eager to send hard-earned savings home.

Theoretically, devaluation should boost exports, but the country does not have the variety of exports or the means of production to adapt rapidly to greater demand. Port and table wines are quoted in foreign currency, not escudos. Textiles suffer from appalling labour troubles which will take months to solve. Timed fish is hampered by a shortage of vessels, dearth of fish, recalcitrant management and embittered labour.

Cork, while improving, still suffers from the after-effects of militancy in the Alentejo province, where most cork trees grow and where workers uprooted groves in favour of wheatfields.

Industry needs heavy investment in new structures and new machinery (mostly imported), and above all, greater productivity. In several key sectors like building, metallurgy, textiles, electronics, pharmaceuticals, printing and tourist agencies, there are running disputes and accumulated ill-feeling over delayed pay rises and labour contracts, aggravated by hardened attitudes on the part of both management and labour.

Each side casts the other as an implacable adversary. Each side is determined to make political capital of the other's hesitations or outbursts. This is the inheritance of 48 years during which management was backed up by police regime which sided disputes by the gun, truncheon or jail sentence.

Not all managers have adapted to Portugal's new democracy, not all workers are prepared to forget old hatreds and work in the national interest.

The government does not always contribute to a solution of labour problems, whatever its constitutional role as arbitrator or counsellor. Portugal, apparently, will take time to shake off a taste for mini-imperialism in ministries or government departments, inevitable during a dictatorship, less understandable in an avowedly democratic socialist cabinet.

The government voices its willingness to consult, conciliate and negotiate but, so far, has been more inclined towards abrupt pronouncements. Signs of frustration and unrest grow daily. One feels that if the government cannot coax the public into making a voluntary effort to rebuild Portugal, nothing but sorrow lies ahead.

As a minority government Socialists must feel their way along a tightrope without a safety net, yielding when they are to the powerful Communist Party which dominates 1 cent of labour, but yield maltreatment to parties right.

The backstage negotiators must wage to remain political solvent in the face of the no longer room for the roots dogmatic social advocated before coming over.

If the economy is to be controlled, Soares must yoke market economy and enterprise demands, which turn alienate the socialist wing, which is already aiming to set up an independent party. To survive, Portugal must have a two mind: one which means that Soares must avoid obedience to policies of Western Europe North America.

The huge foreign loans totalling about £1.7 billion have been condemned by the Portuguese as the "garrot" strangling Portugal's economy. But until militant left-wingers and embittered management come to terms and productivity, there is little alternative to heavy foreign borrowing.

The politics of the new seem doomed to rule Portugal for some time to come. It is a national psychosis riddled from a bizarre 20 long era of mourning and mourning Prince Sebastian. The 15th century, after Portugal gave up the moon economic ghost and allowed itself to be overrun by until 1840, "We need now to save us," is a cry heard day -- too often for comfort.

Surrender to a strong figure is not eradicated, five or even ten years is especially true when sent stirs up memories of early part of this century.

It was a time of bank reliance on foreign political polemics and social governments, all which ended by a swift military on May 28, 1926 and the cent of Dr. Antonio d'O Salazar, who balanced national books and wiped or foreign debt -- but at the cost of 48 years of deprivation personal freedom, individuality and industrial development.

Advocates of totalitarianism are emerging into the light. Hastily-conceived emergency measures are not deluged from seeking to influence on a troubled, hidden nation.

JORDAN TIMES DAILY GUIDE

JORDAN TELEVISION

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6:00 Quran	9:20 Reportage
6:05 Cartoons	
6:30 Agricultural programmes	7:30 News in Hebrew
7:00 Lucy show	7:45 Varieties
8:00 News in Arabic	8:30 Doctor in charge
	9:10 The Pallisers
Channel 3	10:00 News in English
7:30 Sports programme	10:15 Mystery movie

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7:30 News	17:30 Pop session
7:40 News report	18:00 News summary
8:00 Sign off	18:05 Pop session
12:00 Pop session	18:15 Catch the words (repeat)
13:00 News summary	18:30 My kind of music (repeat)
13:05 Pop session	19:00 News
14:00 News	19:10 News reports
14:10 Radio magazine	19:30 Sign off
14:30 Arabs in history	
15:00 Concert hour	
16:00 Old favourites	

EMERGENCIES

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Amman:	Awda (55742)
Youssef Is'ess (36722)	
All Abdul Hafez Asaad (73463)	
Irbid:	Razi
Ahmad Tawalbeh (2035)	
Akram Momani	
Zarqa:	Zarqa
Ghazi Roussan (82786)	
Pharmacies:	Taxis
Amman:	Jerusalem (39655)
Palestine (21370)	Shmeisani (21523)
University (24554)	Neel (44433)
	Mahd (22038)

AMMAN AIRPORT

Arrivals:	Departures:
8:20 Dubai (Alitalia)	8:00 Aqaba
8:25 Muscat, Doha	8:00 Beirut
8:45 Karachi, Abu Dhabi	8:45 Beirut (MEA)
9:15 Jeddah	9:05 Rome (Alitalia)
9:50 Aqaba	10:30 Cairo
10:30 Beirut	10:50 Athens, Amsterdam (KLM)
14:15 Athens (GA)	11:00 Vienna, Copenhagen
14:20 Jeddah (SDI)	11:15 Damascus, Aleppo
16:30 Aleppo, Damascus	12:00 London
17:00 Cairo	15:00 Doha, Abu Dhabi, Muscat (GA)
17:15 Larnaca (CY)	15:45 Riyadh, Dhahran (SDI)
17:55 Amsterdam, Brussels, Geneva	18:00 Larnaca (CY)
19:40 Beirut (MEA)	18:55 Kuwait, Dhahran
19:50 London (BA)	20:00 Baghdad
21:25 Frankfurt, Munich, Damascus (Lufthansa)	21:05 Rawalpindi (BA)

BBC RADIO

GMT	15:00 Radio Newswel
05:00 World News; 24 hours	15:15 Outlook
05:30 Sarah Ward	16:00 News; Commentary
05:45 The World Today	16:15 Racing
06:00 News; Press Review	16:30 Music from Scotland
06:30 Terry Wogan's LP Showcase	16:45 The World Today
07:00 News; 24 hours	17:00 News
07:30 Sarah Ward	17:09 Discovery
07:45 Report on Religion	17:40 Book Choice
08:00 News	17:45 Sports Round-up
08:15 Lucky Jim	18:00 News; Radio Newswel
08:30 John Peel	18:20 Top Twenty
08:00 News; Press Review	18:00 Outlook: News Summary
09:30 Financial News	19:40 Stock Market Report
09:45 Paperbacks	19:45 Dances of Old Vienna
10:00 Talkabout	20:00 News; 24 hours
10:30 Command Performance	20:30 David Gell's Music
11:00 News	21:00 Report on Religion
11:15 Business and Industry	21:15 International Soccer Special
11:30 Farming World	21:30 Composer and Interpreter
12:00 Radio Newswel	22:00 News; The World Today
12:15 David Gell's Music	22:25 Financial News
12:45 Sports Round-up	22:45 Sports Round-up
13:00 News; 24 hours	23:00 News; Commentary
13:30 World Radio Club	
13:45 A Jolly Good Show	
14:30 Lily White's Men	

VOICE OF AMERICA

GMT	18:00 Special English. No
03:00 The Breakfast Show	Feature: Space
to 03:00, 04:00, 05:00 and 06:00	Man. News Summary
06:30 GMT: News, Regional	Musical USA (Standard)
and Topical Reports;	News Roundup, Report
VOA Current News	Actualities, Opinion, Analysis, News Summary
08:30, 09:30 and 05:30	VOA Magazine: American, Science, Culture, Letters
GMT: An informal presentation of popular music with feature reports, 21:00 and interviews answers to listeners' questions, 20:15 Science Digest	Special English. News
17:00 News Roundup, Reports, Actualities, Opinion, Analysis, News Summary	VOA World Report
17:30 Dateline	Musical USA (Special)

USEFUL TELEPHONE NUMBERS

Ambulance (government)	Tel. 78111
Civil defence rescue	" 24391-4
Fire headquarters	" 22000
First aid, fire, police	" 19
Jordan Electric Power Co. (emergency)	" 56351-3
Municipal water service (emergency)	" 37111-3
Police headquarters	" 39141
Najdah, roving patrol rescue police, (English spoken) 24 hours a day for emergency help	" 21111, 3777

Cultural Centres

American Centre (USIS)	Tel. 41520
British Council	" 36147-6
French Cultural Centre	" 37000
Goethe Institute	" 41980
Soviet Cultural Centre	" 44200
Amman Municipal Library	" 36111

هكذا صحت القوم

King Hussein to preside over Teachers' Day

AMMAN (JNA). — His Majesty King Hussein will give a speech Tuesday at the celebration of the Palace of Culture marking Teachers' Day, which he is visiting.

The King will also bestow decorations upon some 50 male and female teachers in appreciation of the role they have played in advancing Jordan's education. Minister of Education Abdul Salam al-Rajab will also give a speech. Similar celebrations, presided by district governors, will place simultaneously throughout the country, according to instructions from

the King, the Education Ministry is striving to improve the lot of school-teachers so they may do their duties as best they can. Facilities needed include adequate housing and professional and specialization allowances.

Amendments introduced to law on state land

AMMAN (JNA). — The ministerial committee entrusted with amending the law concerning state lands Monday convened and ratified the amendments as well as introducing a new system for renting these lands.

Minister of Finance Mohammad Dabbas said that the new system encourages citizens to use the land in a profitable way and to ensure the safety of the state's lands.

Most important among the amendments was a definition of the purposes of land renting, the area and trespassing penalties.

The committee had held a number of previous meetings, during which it discussed the amendments approved Tuesday.



Prince Hassan emerges with Agriculture Minister Salah Juma'at Tuesday after discussions at the ministry on agricultural development projects (JNA photo).

Prince Hassan meets agriculture minister

AMMAN (JNA). — Prince Hassan Tuesday discussed with Minister of Agriculture Salah Juma'at progress made in agricultural development projects, and

the relationship that should exist between the farmers' union in Jordan Valley areas and the Ministry of Agriculture.

Discussions centred on projects to resettle bedouin tribes in the highland areas; rain-fed agricultural projects in particular in the Irbid governorate; agricultural development projects in the Bani Hassan villages, which Prince Hassan visited Sunday; and progress at the experimental dairy farm in Dhuleil.

The Crown Prince gave directives on all these subjects, stressing the need to provide the farmers with all necessary services to enable them to raise their production.

Prince Hassan also paid a visit to Arman town hall and listened to a report by the mayor on municipality work and plans, as well as its financial position.

ISLAMIC FUND TO ESTABLISH 2 UNIVERSITIES

ABU DHABI, March 15 (JNA). — The Permanent Council of the Islamic Solidarity Fund, now meeting here, has allocated \$14 million for youth enterprises, study seminars and Islamic preaching.

The council also decided to set up Islamic centres in Africa, Asia and North and South America, besides providing the necessary land to establish two Islamic universities in Niger and Uganda.

The Saudi representative at the conference expressed his country's readiness to raise its share in the fund to \$11.5 million next year, instead of its present \$5.5 million.

The United Arab Emirates and Libya also pledged to increase their shares.

In-depth study to be made into Arab economies

CAIRO, March 15 (JNA). — The General Secretariat of the Arab Economic Unity Council, now meeting here, has formed 15 teams of planning experts to prepare comprehensive studies on the economies of the Arab countries.

The Council's Secretary General, Dr. Abdul Aal Al Sakban, stated that each study will draw an exact picture of the characteristics of each Arab country in terms of geography, natural resources, population, manpower and important economic activities.

Each study will define the development projects each Arab country is implementing, their aims, possible future benefits through an increase in gross national product, and whether it is agricultural or industrial in nature. Each team will prepare a detailed survey of the most important economic sectors in each country.

DR. AL SABBAGH NAMED HEAD OF FINANCIAL MARKET

AMMAN (R). — Dr. Hashem Mohammad Al Sabbagh has been appointed head of the financial market, due to start operations in Amman in June.

The appointment of the former head of the accountancy department at the University of Jordan as President of the Board of Directors and General Manager of the market was confirmed by the Council of Ministers Sunday evening.

CENTRAL BANK APPROVES FOREIGN BANK OFFICES

AMMAN (JNA). — The Central Bank has approved the opening of a number of representative offices by foreign banks and finance companies.

The Chief of the Research Section at the Central Bank, Dr. Jawad Anani, said Tuesday these offices will carry out banking and monetary operations in the country in place of the institutions they represent. They cannot operate to gain profit.

Dr. Anani said the duty of the offices is to bolster relations and dealings between their headquarters and local banks and firms, and to act as intermediaries between Jordanian companies and foreign companies in order to facilitate and follow up banking deals concerning loans, credit or assistance provided by the foreign companies to any Jordanian one.

Talks start on far-reaching industrial coordination

AMMAN (JNA). — The Joint Jordanian-Syrian Committee for Industrial Coordination began its meeting at the Ministry of Industry and Commerce here Tuesday with the aim of completing industrial coordination and integration steps currently underway between the two countries, and providing high-quality industrial commodities at reasonable prices.

The Jordanian-Syrian discussions aim to coordinate and integrate industries in both countries, whose total capital exceeds JD 2 million. The meeting will also strive for unification of customs duties on raw materials used in similar industries in the two countries and of tax and duty exemptions including income tax on industrial development projects.

Welcoming his Syrian counterparts, the Under-Secretary at the Ministry of Industry and Commerce, Dr. Hassem Dabbas, expressed the hope that the committee meeting would achieve positive results.

The head of the Syrian team, Mr. Nazeeh Raslan, Under-Secretary at the Syrian Ministry of Industry, underlined the need for concentrating on industrial coordination and integration, because "any unity between the two countries should be built on well-studied, firm and sound foundations."

The two sides presented lists of capital industries in their respective countries.

The Jordanian team is composed of Dr. Dabbas, Under-Secretary at the Ministry of Customs Yassin Al Kayed and other competent officials.

The Syrian team consists of Mr. Raslan and representatives of industrial sectors in Syria.

In an interview in Damascus Monday, Mr. Raslan stated that industrial coordination between Jordan and Syria will in the long run be very advantageous for both countries in the sense that there will be no competition between the two countries and factories will have the opportunity to look for raw materials in both Jordan and Syria. In addition, a joint market will be ensured. Coordination will also give them the chance to dispense with many imported materials.

Mr. Raslan stated that talks with Dr. Dabbas, will centre on industrial coordination and in particular on the fertiliser, chemical food and textile industries.

The Joint Jordanian-Syrian Industrial Company, with a capital of JD 20 million, has been entrusted with establishing a number of joint projects, including a factory for ready-made clothes now being implemented in Damascus, a white cement plant with a productive capacity of 100,000 tonnes annually, a clay-tiles factory and a fire-proof brick factory in Jordan, and an aluminium factory in Syria, Mr. Raslan explained.

The Syrian under-secretary added that the Amman meeting is the second held by the Committee for Industrial Coordination. The first meeting, which took place in Damascus in January, studied the present industrial situation and future projects within the context of the five-year development plans of both countries, for which a sum of JD 4 million has been allocated.

New customs exemptions approved

AMMAN (JNA). — The Cabinet, under Prime Minister Mudar Badran, Sunday approved new customs exemptions, which included raw materials used in similar industries in both Jordan and Syria.

Under-Secretary at the Finance Ministry Yassin Al Kayed said these raw materials, which had not been exempted previously, include sulphur products, ready-made clothes, furniture and hides. It was also agreed to exempt medicine and petroleum-derived products.

NOV. 1976 EXPORTS SHOW IMPROVEMENT

AMMAN (JNA). — Jordan's exports totalled JD 3,572,000 in November 1976 as against JD 3,426,000 in October of the same year. Imports for the same period totalled JD 33,746,000 as against JD 28,615,000.

Most important among Jordan's exports were raw phosphate, fruit, drugs, vegetables, cigarettes and fertilisers.

Exchange Rates

Following are the official exchange rates in effect at the start of today's business day, as set by the Central Bank of Jordan.

U.K. sterling	573.0	579.0
U.S. dollar	332.0	334.0
German mark	139.2	139.6
French franc	66.8	67.1
Swiss franc	130.4	130.8
Italian lira (for every 100)	37.4	37.6
Saudi riyal	93.7	94.0
Lebanese pound	108.9	109.4
Syrian pound	82.1	82.3
Iraqi dinar	943.0	950.0
Kuwaiti dinar	1,150	1,154
Egyptian pound	452.0	470.0
Libyan dinar	800.0	810.0
UAE dirham	85.0	85.3

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- 4) Experience: Two to three years

New graduates are also accepted. If interested write to P.O. Box 3977, Jabal Amman.

WARNING! BOIL YOUR WHITE CHEESE

AMMAN (JNA). — The Amman municipality has called on white cheese dealers and habitants to boil this food-off before eating it. Laboratory tests have proved that the cheese is contaminated. The municipality has ready destroyed large quantities of foodstuffs sold in markets, which provided a risk for consumption. Legal action has been taken against the dealers.

Seminar on role of writer underway

AMMAN (JNA). — A three-day seminar on the Jordanian writer started Monday at the headquarters of the Jordanian writers society.

The participants in the seminar will discuss the role of the writer in the Jordanian work of the Jordanian writers society.

They will also discuss trans-

Agriculture meet opens in Baghdad

BAHAGHD, March 15 (JNA). — Third Conference of the Arab Agricultural Engineers began its meeting here today under the slogan "Arab integration and the human element in rural development."

The conference will debate a number of factors affecting the rural element, in addition to social and cooperative organizations and the elimination of illiteracy, and their effects on Arab rural development and agricultural integration.

The meeting is attended by engineers representing professional agricultural bodies in the Union. Jordan is represented by the Association of Jordan Agricultural Engineers.

What's Going On

A film entitled "Sleuth", starring Lawrence Olivier and Michael Caine, 6:30 p.m., at the Fish Council, Jabal Amman.

NATIONAL NOTES

* AMMAN. — Minister of Interior Suleiman Arar Tuesday evening left here on a visit to Saudi Arabia at the invitation of his Saudi counterpart. Mr. Arar said before leaving that he will conduct talks with the Saudi minister of interior, which will strengthen relations between the two countries.

* AMMAN. — The Foreign Ministry Tuesday received a cable from Bucharest confirming that all Jordanian students in the Romanian town of Kluj are safe after the recent earthquake. No one was injured, it continued.

* AMMAN. — Jordanian-Algerian talks are due to begin in Algiers Wednesday aimed at concluding a bilateral aviation agreement.

* AMMAN. — The General Assembly of the Union of Arab Tourism and Travel Organisations will meet here on May 13 to discuss ways of encouraging the tourist trade in the Arab countries.

* CAIRO. — The Arab League will celebrate its 32nd anniversary next Tuesday. The League's Secretary General Mahmoud Riad will speak on the development of joint Arab action and shed light on a number of current issues, particularly concerning Arab efforts at the African and international levels.

* AMMAN. — A group of policemen will visit Bahrain and Oman March 17-25 to implement recommendations passed by Arab public security departments to develop relations and exchange police expertise.

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The Shah of Iran takes time out to reassess assets hoping to move out of oil dependence



The Shah of Iran examining his troops.

TEHRAN, (CSM). — Shah Mohammad Reza Pahlavi of Iran intends to restore cuts in defence spending as soon as Iran's recently diminished oil revenues allow and to maintain Iran's efforts to move away from dependence on oil.

Iran's draft 1977-78 budget shows defence spending cuts for the first time since 1941, although they are reduced only 2 per cent. One multibillion-dollar project suspended is the Shah Bahar naval base complex on Iran's Indian Ocean coast.

In a 45-minute interview touching on oil, defence, the world economy, and relations with the Soviet Union, the Shah said he would restore the defence cuts when oil revenues warrant because he intended to continue his "eastward-looking" defence policy to protect the Gulf and Indian Ocean approaches.

This, he said, is "a natural policy for Iran of today but especially for Iran in 5 or 10 years' time."

The Shah said he thinks the industrial states will finally agree that oil must cost more in order to encourage development of other energy resources.

He confirmed that Iran's oil exports in February recovered strongly from their January slump, when buyers seemed to be turning to cheaper Saudi oil.

He said, "We are selling a lot more oil than on Jan. 1" at the higher price. Iran and 10 other OPEC (Organisation of Petroleum Exporting Countries) producers decided in December to increase the price by 10 per cent as of Jan. 1 and by another 5 per cent in July. Saudi Arabia and the United Arab Emirates raised their price only 5 per cent.

"We now have additional customers," the Shah said. "The meaning of this is probably that the 5 per cent Saudi charge goes only in the pocket of a few companies. The rest of the people need the oil, and they pay the price."

He recalled that before the December oil price increases, United States financial circles had predicted a 10 per cent rise as "normal" and said it would not have a great effect on Western economies. But a new OPEC meeting or new contracts before July and the two-price system were desirable, he added.

Iran's ruler recalled warnings he had given the West over five years ago about wasting crude oil resources, of which Iran has enough — about 68 billion barrels proven reserves — to last for another 30 to 35 years at current production rates.

"Everybody," he said, "is going to open his eyes and realise that to replace oil with other energy sources, you will have to pay the corresponding price."

"Why should you go for other substitutes, if you have cheap oil at your disposal for the next 20 to 25 years? What incentive do you have to invest these hundreds of billions of dollars needed to make breakthroughs into fusion, and solar and other energy sources?"

"We increased the price of oil about four times in 1973. Since that day, Americans went into much larger cars than before the price increases. And now you're importing 51 per

cent of your needs in oil from outside, and a 6 to 7 per cent increase in this year's (U.S.) consumption is predicted.

"I told your responsible people before that I, as a friend of the U.S., allow myself to tell you that you, as representatives of the non-communist world, don't have the right to depend on outside energy sources."

The Shah added that he was encouraged by President Carter's move in setting up an energy panel to be headed by Vice-President Walter F. Mondale and by predictions of a new U.S. energy policy to be announced this spring.

As Iran moves increasingly into natural gas, petrochemicals, and other sources of energy and income, it will increase its own domestic gasoline prices annually for the next six years, he disclosed, "just to make people conscious of the value of oil."

He reiterated his view that the world industrial economy is not pushed into recession or depression because oil prices are raised too high.

"We know," he said, "how the Japanese recovered, in one year — so much that the Europeans are terribly fearful about the Japanese price for ships. And the Japanese import not just oil, but everything."

Western economic problems

stem from "lack of discipline" and the will to work, whereas in Iran, he said, "you don't have one minute of labour strikes" and workers enjoy profit-sharing and investment schemes.

The Shah personally decided the defence cuts at the last minute while raising spending for education and social services by 25 to 30 per cent.

Referring to his "eastward-looking" defence policy, the Shah asked: "Without bragging or being chauvinistic, who else could do that job? We have the people, the finances, and the resources, and a foreign policy which is unselfish and aiming only at security. We don't want territory or other people's wealth."

He said dangers in the Red Sea area, with Ethiopia rent by internal strife and France preparing to give up its base at Djibouti, Afar-Issa Territory, strengthened his concern about an "eastward-looking" defence policy.

Asked about President Carter's plan for a world economic summit conference and the "North-South dialogue" between industrial and developing states, he said the North-South meetings have not progressed because "in the West, your whole prosperity has been based on exploitation of the resources of other countries."



"Are you prepared to give a little of that up? I don't know," he continued. "If you have strong governments with a mandate, if they ask their people to work more and earn less, if necessary, even to lower their standard of living ... it's too high because you are exploiting the rest of the world. Could you produce that kind of leadership?"

The Shah indicated no important U.S. arms purchase cutbacks were intended in a program estimated at 15 billion dollars since 1972. The programme includes purchase of Grumman F-14 fighter aircraft, an order for 160 General Dynamics F-16's (the Shah has wanted to buy 300) and interest in the F-18L, a land-based version of the Northrop F-18A being built for carrier-based U.S. Navy operations.

The U.S. Defense Department has not approved the F-18L programme yet.

"It's not a question," the Shah said, "of the U.S. selling something you do not have yourselves. And for the air superiority fighter, you have the F-15, but that's too expensive for us, so we go for the F-18 ... to replace the present F-4s. I don't see why I should be refused it."

The Shah indicated he is maintaining the order for four U.S. Litton Industries Spruance-class destroyers, "and it's a pity we had to cancel two of them" from an original order of six after costs escalated. (Litton Industries is reported to be interested in a barter deal to buy Iranian oil in return for destroyers, similar to barter deals already completed between Iran and the British Aircraft Corporation and Krupp Industries in West Germany.)

He confirmed that Iranian land forces are withdrawing on schedule from Oman, where they helped the ruler, Sultan Qabus, crush a guerrilla revolt based in nearby South Yemen. Iranian air surveillance, mainly sorties flown from bases in Iran, continue in the strategic Hormuz Straits area. "We will go back if the Sultan really needs us," the Shah said. "We save money by

bringing those boys home; we will not jeopardise the security of Oman for peace reasons."

In his first public comment on the "Ibex affair," in the U.S. corporation Rot International's project and two technicians were derailed last August by gas (Rockwell is installing top-secret electronic intelligence network along the Viet-Iranian border) the said published U.S. report he had attributed the matter to the Soviets were a rate.

"Certainly, that was a way it was put. Certainly and 'as for the Ibex, we have no complaint.'"

He said he was sure was not getting "junk" as the Washington ports had said. Other U.S. literary contractors in Iran performing generally well, added, although some had to charge to Iran "a costly large" salaries for personnel.

He charged that U.S. media distort problems of Iranians in Iran. When U.S. security arrested guerrillas who had killed the Roman men and other U.S. persons, "you talk about the human rights of the terrorists but about the human rights of those killed," he said.

State run pensions come under attack by South African life insurance companies

People are living longer and birth rates are falling. Which means that there are ever more old people in the population, putting an increasing burden on pension funds. The question is not just how to provide for them, but how to do it in a way that is fair to all the populace.

LONDON (F.T.) — Nowadays, the concept of state-issued old age pensions is totally accepted in most industrialised countries. But in some parts of the world the very idea still arouses violent controversy.

White South Africans have greeted their Department of Social Welfare and Pensions' recent announcement that it is planning a state pension scheme with frosty disapproval.

The most hostile reception came from the life assurance companies themselves. Mr. J.G. van der Horst, the chairman of the Old Mutual, one of South Africa's leading assurance groups, is among the most scathing critics.

"It may well sound the death knell of the private pension fund movement and a large portion of the life assurance industry," he said in one of his recent attacks.

Then came most of the arguments advanced by free enterprise everywhere since the first government pension scheme was put forward nearly 100 years ago.

"The attendant financial and economic implications are so vast and dangerous that it is

well-nigh impossible to predict where the introduction of the proposed scheme will eventually end."

When he said that, Mr. van der Horst could well have been taking a sideways look at the British scheme. The original Pensions Act, first introduced in Britain in 1908, has undergone so many changes and modifications, with many more mooted, that it is feared the total cost may soon escalate out of control.

The reason is simply that people are living longer, while birth rates are falling. So fewer working people will have to pay more and more to support ever-growing numbers of the retired.

That is a practical worry. But Mr. van der Horst also has ideological antagonisms. "A state contributory pensions scheme is completely socialist in concept in that, because it will be government-controlled and will affect the whole population, it will remove from the people the personal incentive to provide for their own future."

It is true that, even in Europe, where state pension schemes evolved, many people would prefer to control their own future welfare and provide their own pensions. But there must be some concern in a humane community for those people who have never been in a position to provide for their old age.

The South African insurance companies are also worried that at least for the first ten or twenty years of any state scheme, the private schemes could not compete.

The short answer to that from many critics of the free

enterprise approach is, "Why should they?" If a state scheme is properly run, they argue, there should be no need for any private enterprise scheme.

But that ignores some wider issues. Many people, even with the certainty of a state pension, like to put something by during their working lives to improve the "twilight years." In a fair society, it is argued, they should not be denied this right.

Much more urgent is the issue of what happens when the costs of state schemes start rising, as inevitably they do. This is because of inflation, the expanding numbers of people entitled to benefit and because a growing insurance fund gets more difficult to increase in proportion as its size increases. Contributions must earn more money in relation to the total amount paid in so that benefits can keep pace.

When that happens the state will often, for political reasons, subsidise the fund rather than increase the workers' contribution rates to a "commercial" level.

Thus the true cost of a state pension scheme is often hidden, although critics claim that the cost of state schemes, because of top-heavy bureaucratic administration, will always be higher than that of soundly run private schemes.

The trouble with private schemes on the other hand, is that they are often inadequate. Employers do not offer plans for their staff, and when an individual takes an initiative on his own, there is no contribution from the company — a point most state schemes insist on.

Amid all the conflicting viewpoints the search for an ideal state scheme will hunt in vain. German social insurance started under the Iron Chancellor, Bismarck, who could hardly be called a devout socialist. The original sickness benefit was extended until it offered a pension, based on a complicated system which is now claimed by most Germans to be totally inadequate.

The majority of other European countries, except Britain, have schemes based on the German model, although differing in detail. Britain runs a system whereby every person who has made the necessary number of weekly contributions during his or her working life gets a basic pension — currently £15.30 for a single person or £24.50 for a married couple.

There are supplementary benefits for people who cannot manage on that, and as the average weekly wage in Britain today is around £60, few think the pension adequate.

But soon to be introduced in Britain is a new type of earnings-related pension with earnings-related contributions, although full details have yet to be worked out.

One thing does seem clear: if companies can offer better pension schemes than the state plan, then workers can opt out of the state scheme. On the other hand a person may stay in a company scheme which falls below state standards and qualify for as many as three different pensions — state basic, state additional and occupational.

On the face of it, this concept seems to satisfy most criteria, except to cater for those people who believe they can make the best provision for their own old age without any interference from anyone.

The weakness of state schemes is that very often they become expensive for what they offer; also, they smack of compulsion because everyone, wil-

ling or not, is drawn into them, and too often they become political footballs.

The trouble with private or company schemes is that they do not contain enough people within their net. They can provide fine benefits for those who can afford to pay for them, but nothing for those who most

Inflation puts heavies pressure on middle class

LONDON, (CSM). — The financial distress of the late, great Winston Churchill's widow happens to be a particularly dramatic and visible, but by no means the first, or last, example of a condition which could be getting more attention than it does.

She is the victim of what chronic inflation is doing to the "middle class." It is in deep trouble in every country which is not bringing inflation under control.

It is time, I suggest, to think about what a society will be like if the middle class is wiped out.

In Britain and Italy there isn't much time left for doing anything about it. The United States still does have time to think about this phenomenon of present-day events and time to do something about it — if it chooses to do so.

Definitions differ over what makes up a "middle class." I think of it as that segment of the population which is able to put aside enough during the working years to be able to live in human dignity during retirement years.

Another attribute of the middle class is a desire for education and for the enjoyment of the cultural values which education permits. Middle-class people will sacrifice almost everything else to send their children to the best sources for higher education.

Sir Winston certainly thought that he was leaving enough money to provide a comfortable living for his dear wife after he was gone. He could not have foreseen the ravages which inflation would work on her funds.

Now she is reduced to selling pieces of family silver and some of his most treasured early paintings to keep herself in reasonable dignity.

That same ravage is undermining the whole of the middle class in Britain. Among my own personal friends there are several who retired thinking they had ahead of them such amenities as travel and winter homes in sunny climes.

Inflation has eaten up their winter homes and their funds for travel, and also their capacity to help their children and grandchildren to the kind of better education they themselves usually enjoyed.

We do not hear much about this condition because there is little sympathy for the middle classes from either above or below. Also the middle class is not organised, as labour is. Nor does it have enough wealth to buy political favour as the rich can.

Both the very rich and organised labour are able to escape the ravages of inflation.

The rich escape by putting their funds into common — or inflation-safe places.

Organised labour even fits from inflation. It has enough political and industrial bargaining power to keep ahead of it — ahead, that is, until it reaches the runaway stage where even organised labour begins to get hurt.

So what?

Does it matter that the middle class is being squeezed? Would it be any great loss if the middle class simply disappeared and nothing was left but the very rich and organised labour?

Isn't the answer in the fact that the countries with healthiest middle classes usually have the most politically stable and moderate governments?

Had a strong middle class developed gradually in Russia that country might have lurched from a military oligarchy under the Czar to an even more tyrannical oligarchy under the communists.

In Germany the middle class was wiped out by the Nazis of the twenties. Thus was paved the way for Hitler.

The most politically stable parts of Western Europe have been Switzerland, Scandinavia, the Netherlands, France, Britain. They also have had the strongest middle classes from way back.

Switzerland and the Scandinavian countries are all synonymous with the "bourgeoisie." Of these the last healthy today is Britain where the middle class has been hurt most by inflation. Major feature of West since World War II has been the revival of a true middle class.

It seems to me that the tactical case for the death of a middle class is overwhelming. But who makes

We hear much about importance of reviving pool investment capital. That means lowering taxes on business on the rich. And the woods full of projects for making easier and more affluent those at the bottom of economic scale.

The case for governmenting the rich, including business, is impressive generally accepted. The goes for helping to improve the lot of those on the lower end of the economic scale.

These two groups have a remarkable capacity to get what they want from government. They work together. They are the most influential voices in the corridors of power.

But does anyone come forward and propose an amendment of the tax burden for specific purpose of salvaging the middle class?

Germans play role in helping to make the Sahara bloom

BONN (DaD) — Now the water table beneath the parched expanses of the Sahara has been tapped. Geologists reckon the desert's days are numbered. With an estimated sixty billion cubic metres of fresh water ready and waiting 1,000 metres underground the Sahara can be made to bloom.

Firms and engineers from the Federal Republic of Germany are playing their part in a

Uesco project, boring wells, establishing reservoirs, building windbreaks, roads, power lines, schools and community centres. But the nerve centre of every community is the pipeline that bears water to standpipes and irrigation devices.

Flexible cast iron pipes with simple but reliable socket joints prove ideally suited for desert use. Semi-skilled nomads set up one pipe-laying record after another.



With water 1000 metres under the sand the Sahara can become productive with proper development.

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Mexican oil finds bring new hopes to the Americas

WASHINGTON, D.C. (CSM). — Mexico is floating on a sea of oil.

Recent petroleum discoveries suggest that Mexico is likely to become the Western Hemisphere's biggest oil producer in the near future — a development of major importance for the energy-short United States next door.

The size of the finds was outlined by Mexican sources earlier this year during the five-day state visit to the U.S. of Mexican President Jose Lopez Portillo.

Oil reserves now are estimated at 65 billion barrels, which are six times those of Alaska's North Slope.

New finds, particularly in northern Mexico which have yet to be surveyed, could boost the total to 100 billion barrels in the near future.

There are numerous questions about the accessibility of the oil, the time needed to develop the new finds, and the ability of Petroleos Mexicanos, the state oil monopoly, to exploit the vast reservoir of oil. But the disclosures indicate that the world energy picture may have to be reassessed.

In addition to the oil discoveries, vast related quantities of natural gas have been located, expanding gas reserves "many-fold." But no exact estimate has been made of the natural gas reserves.

Mexican energy policy is focused on developing these new oil and natural gas finds as quickly as possible. Moreover, Mexico indicates that the U.S. could become the major beneficiary of the oil and natural gas bonanzas.

Just before his state visit to Washington, Mr. Lopez Portillo



to approved deliveries of 40 million cubic feet of natural gas a day for two months to the U.S. That is a relatively small amount, and Mexican officials describe it as "a drop in the pipeline" but one that "could become a trickle, then a flow, and even a torrent."

Leaving room for hyperbole, it is evident that a good portion of Mexico's current and future oil and natural gas production will be sold to the U.S. The issue came up during the discussions President Lopez Portillo had with President Carter.

Just how the Mexican oil flow will affect the U.S. dependency on imported oil from the member nations of the Organisation of Petroleum Exporting Countries (OPEC) is unclear. But Mexico, while generally following the OPEC price structure, is not an OPEC mem-

ber, nor does it plan to become one.

The major Mexican oil finds are concentrated in the southern Mexican states of Tabasco, Chiapas, and Campeche. Many of them are connected geologically with the old Reforma field that had been petering out in recent years.

Digging deeper and in related areas, Mexican oil geologists five years ago began to sink a number of new wells. As exploration continued, Mexican sources say, the size of the finds grew rapidly.

At that point in 1975, Mexico clamped a policy of secrecy on the exploration — and only hinted at the size of the discoveries.

Currently oil exploration is also under way in Baja California, as well as in the northern states of Chihuahua, Coahuila, and Tamaulipas.

U.N. water conference reportedly will hear Palestinian case against Israel

MAR DEL PLATA, Argentina, March 15 (Agencies). — The United Nations World Water Conference here seems headed for a political row over Palestinian demands for the return of the Israeli-occupied West Bank and the Gaza Strip.

As some 1,000 delegates from 105 countries were working out procedural matters for the 12-day conference yesterday, the delegate of the Palestine Liberation Organisation (PLO) said he intended to raise formally his nation's territorial claims against Israel.

Mr. Salah Zawawi, PLO representative for Latin America, told Reuters: "I hope this conference will succeed in offering answers to the chronic

problem of water shortage in the world. But we have lost not only water but also the air of our land.

"We want the return of Gaza and the West Bank as a first step towards coexistence and the creation of a new democratic state covering all Palestine."

Mr. Zawawi told Reuters he will make a formal statement as soon as possible. He said he was also planning to hold a press briefing shortly at the water conference site, the Hotel Provincial.

The conference opened yesterday with appeals for international water cooperation and a warning that their importance had not been fully appreciated, AFP reported.

The warning came from U.N. Secretary General Kurt Waldheim, who said in a message

read to the delegates that it was surprising many strategies had tended to underestimate the role of water, a key element in most programmes aiming to improve human conditions.

Mr. Waldheim said the most urgent need was to supply water for food production and to improve supplies to communities. But "vulnerable" lands had also to be used more intensively while the struggle was waged against floods and drought, he added.

The conference Chairman, Argentinian engineer Luis Jauregui, commented that the conservation and profitable use of water were not isolated problems which could be solved by one sector or one region. Water was a "heritage of hu-

manity," and world governments, through their delegations, had decided to tackle the problem in depth and work out "adequate political options" and future actions, Mr. Jauregui said.

Mr. Jauregui told oewsmco after the opening session that access to sufficient drinking water should be recognised a universal human right.

"The ideas exist to solve this crisis, and the technological solutions are not lacking, what matters now, essentially, is the spirit," he said.

Mr. Jauregui hoped the conference would enable the least developed countries to have access to all existing techniques, so they could improve conditions without being prisoners of the "tyranny" of cost-profit ratios.



CARTER MEETS TUT -- President Carter admires the gold mask of ancient Egyptian Pharaoh Tut Ankh Amon at Washington's National Gallery Saturday where the treasures found over 50 years ago in the pharaoh's tomb are currently on exhibition. President Carter was accompanied on Saturday's tour by Egyptian Ambassador Ashraf Ghorbal (right). (AP wirephoto).

Filipino plebiscite postponed to April 21

MANILA, March 15 (R). — President Ferdinand Marcos today announced the postponement from March 17 to April 21 of a plebiscite in 13 southern provinces of the Philippines on the establishment of an autonomous region.

The plebiscite, originally set for Feb. 21, has now been postponed twice following a deadlock in peace talks being held by the government and the Moro National Liberation Front (MNLF) in Libya.

Mini-Red Sea summit announced

MARCH 15 (AFP). — Heads of state of Somalia, Sudan, and North and South Yemen will meet at Ta'izz in North Yemen next week, Sudanese Foreign Minister Mansour Khalid announced in a statement printed today in the Khartoum newspaper Al Ayyam.

The minister was quoted as saying the summit would be between Presidents Jaafar Nimeiri of Sudan, Lt. Col. Ibrahim al Hamdi of North Yemen, Mr. Ziad Barre of Somalia and South Yemen head of state Saleh Rubayyi Ali.

Al Ayyam said the leaders

Mrs. Imelda Marcos, the president's wife, flew to Libya last week to seek the good offices of Libyan leader Muammar Qadhafi to break the deadlock. President Marcos said in a speech today that it was necessary for the people in southern Philippines, where the two million Moslems minority live, to be given more time to study the issues.

The Moro rebels have come out strongly against the holding of a plebiscite.

Observers said that because of the countries' proximity to the Red Sea security in the area would dominate the talks.

President Nimeiri meanwhile flew today to Oman accompanied by Mr. Mansour Khalid on a six-day tour which will also include a visit to South Yemen.

According to the Sudanese media, Mr. Nimeiri's Yemen trip was concerned with "coordinating unified action aiming at guaranteeing Red Sea security."

Dr. Waldheim foresees progress in Vienna's Cypriot issue talks

UNITED NATIONS, March 15 (R). — U.N. Secretary General Kurt Waldheim said yesterday that forthcoming talks in Vienna offered a chance, "for the first time," to make substantive progress towards a settlement of the Cypriot issue.

The sixth round of negotiations under his auspices between Greek-Cypriot and Turkish-Cypriot representatives is to begin in the Austrian capital on March 31.

Mr. Waldheim told reporters that reaching a settlement would be a lengthy process, but he thought "something will come out" before the end of the year.

The U.N. chief conferred with Archbishop Makarios and Turkish-Cypriot leader Rauf Denkash in Cyprus last month, two weeks after the island's two leaders had held their first meeting for 13 years.

The Vienna talks are expected to include the possibility of creating a federal republic on a bi-communal basis, under a central government.

Other topics likely to be discussed are the independence and political neutrality of Cyprus, a solution of territorial issues on the basis of ownership before the island's independence, freedom of movement of the inhabitants and freedom of settlement and property ownership.

U.N. observers said they believed that both sides now recognised a need to compromise.

They said President Makarios might have decided that U.N. resolutions on Cyprus could not be implemented so long as Turkey opposed them, and Mr. Denkash probably realised he was unlikely to obtain international recognition for a separate Turkish-Cypriot state.

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U.S. "considering" Zaire request for military aid

WASHINGTON, March 15 (R). — The United States is considering a request by Zaire for military equipment to help counter an incursion across its border from Angola.

The State Department said yesterday it had been asked for assistance in the form of "material," but declined to give any details. Zaire sources said the request was made in the context of continuing U.S. military aid to the country and may take the form of speeded-up deliveries of equipment already on order.

The United States is currently giving Zaire \$30.5 million worth of military aid, all of it in the form of credits to purchase U.S. hardware. Zaire is also receiving about \$35 million this year economic aid for use in development projects, food, cash and peace corps assistance.

Zaire quickly informed the United States after the incursion last week on its western border with Angola, but a request for equipment came "very recently," the State Department said.

The incursion occurred in Shaba province, formerly Katanga, and the soldiers had been described in press reports from Zaire as Katanga gendarmes. The term refers to 2,000 to 4,000 soldiers who fought in the Congo civil war on the side of Katanga leader Moïse Tshombe and fled Angola after their defeat in 1965.

Diplomatic sources in Kinshasa said today that the incursion force has killed about 20 Zaire army soldiers. The force reportedly blew up several bridges as Zaire army troops passed over them.

Castro has talks with Ethiopians

ADDIS ABABA, March 15 (R). — Cuban Premier Fidel Castro has held talks on bilateral relations between his country and Ethiopia during a visit here, according to the official press today.

But full details of Dr. Castro's unannounced trip, which began yesterday, have not yet been released.

Photographs in the official press showed Dr. Castro arriving at the airport flanked by Ethiopian head of state Lt. Col. Mengistu Haile-Mariam and his deputy, Lt. Col. Atmifu Abate.

Other pictures showed him holding talks with the two Ethiopian leaders and senior government officials and the captions said the talks were on bilateral relations between the two countries.

Dr. Castro's visit, as part of a tour of several African and Arab countries, marks a significant step in efforts by Ethiopia's Marxist military rulers to secure closer ties with Communist states.

Dr. Castro will begin a three-day official visit to Tanzania tomorrow, Tanzania officials in Dar Es Salaam said today.

The government-owned Daily News said in Dar Es Salaam today the state reception for Castro was expected to be the biggest ever for a foreign leader.

No further details of Dr. Castro's visit were immediately available.

The Senate was expected to vote late today on a small bill aimed at reimposing an embargo on imports of chrome from Rhodesia.

Such dealings are important to the Rhodesian economy which would be hit by a new U.S. embargo. The Carter administration hopes that a repeal of the amendment will help to prod Rhodesia's Prime Minister Ian Smith into negotiations on creating a majority rule in the rebel territory.

Editorial comment -- p. 2 --

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U.S. House votes to ban chrome imports from Rhodesia

WASHINGTON, March 15 (R). — The U.S. House of Representatives voted yesterday to ban U.S. imports of chrome from Rhodesia.

President Carter's administration supports the move to repeal a legislative amendment under which the United States has been importing the ore from Rhodesia since 1975 in defiance of the U.N. sanctions.

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Editorial comment -- p. 2 --

ECONOMIC AND BUSINESS NEWS

NATO begins probe into Comecon economy today

BRUSSELS, March 15 (AFP). — The North Atlantic Treaty Organisation (NATO) tomorrow begins a probe into the economies of the Soviet Union and its six East European partners.

In particular, the investigation will cover the way trade is evolving within their economic community, Comecon, and trade relations between the Warsaw Pact countries and the rest of the world.

The study will be carried out from March 16 to 18 in Brussels by a score of experts from the United States, West Germany, France and Britain.

M. Jacques Billy, head of NATO's Economics Department, said yesterday there was an "easily observable" decline in the growth rates of the countries concerned, and several of them had trade deficits with the West or the rest of the world. But that the integration of the Comecon nations might

lead to an improvement in the region's economic performance.

He said: "The lowering of the growth rates is a phenomenon that is developing slowly. The question of the deficits and indebtedness -- which might seem excessive -- has come into the news over the past few months."

On the theme of "growing deficits," M. Billy said: "They are leading the authorities to coordinate their foreign trade policies. In other words, closer bonds within Comecon would allow a more favourable long-term solution to their external supply problem."

"For example, when East European countries get their energy supplies from the USSR, they are asked to share in the investment effort that will lead to increased output in the future."

M. Billy thought Comecon would be "a pretty integrated

economic group by about 1980." From around 1973-74, the oil price rise and the limited western market, had led the East Europeans to realise they had insufficient export resources and financing.

Consequently they turned to the Soviet Union, which for obvious reasons, could not let them down. The recent Soviet loan to Poland, enabling it to get through a difficult foreign trade period, was "an illustration of this new reality," M. Billy said.

Turning to East-West trade he rejected the idea of withholding technology on the grounds that this know-how could be used against the West.

"This danger certainly exists," he said, "but the West always has a technological lead which is a safeguard in itself, even though this lead is unevenly spread among Western nations."

M. Billy added: "Expansion of East-West trade, especially after the Helsinki agreement, is a logical part of growing international commerce."

"Trade with Comecon represents only 5 per cent of NATO countries' exports and only 3 per cent of their imports. Nevertheless we should make sure that our commercial policy vis-a-vis the East serves our energy and commodities policy as far as possible."

"We do not appear to devote enough resources and thought to finding a highly diversified cover for our long-term needs," M. Billy also said: "In regard to armaments, parity with the Warsaw Pact seems to have been attained approximately."

"But as regards economic weapons, it is we who have the advantage. Should we use it in political negotiations or just in economic negotiations? That is a current question, but it is not for me to answer it."

Concorde's New York court hearings postponed

NEW YORK, March 15 (AFP). — The New York federal court that was to begin hearings on a suit brought by Air France and British Airways to win permission for their Concorde supersonic airliner to land in New York has agreed to postpone the hearings to an unspecified date, it was announced here last night.

The suit is against the Port Authority of New York and New Jersey, which has so far refused to authorise Concorde to use New York's Kennedy International Airport despite federal government permission for it to do so on a trial basis. The authority manages New York area airports as well as ports and other facilities.

The postponement was jointly requested by attorneys for the two airlines and for the port authority. Spokesmen for the federal court and for Air France said that the delay was aimed at enabling technical experts for the two sides to complete examination of certain studies. A new date for the start of hearings is to be set in the next 10 days.

There has been widespread opposition to Concorde in New York on the grounds of noise pollution. The supersonic air-

craft is now using Dulles International Airport outside Washington on a 16-month trial basis, but the federal government runs that airport and no other permission was needed for operation at Dulles.

Last Wednesday a team of technicians representing Air France, British Airways and the builders of Concorde met port authority experts for two hours to explain that the aircraft could better observe the noise limits at Kennedy Airport by using certain runways and takeoff procedures.

At the end of the meeting, the port authority experts said they would "carefully examine" the information submitted by the French and British technicians. So it would seem that British Airways and Air France want to give a little more

time to the authority experts. The airlines probably hope that the latest information will be convincing enough to persuade the port authority to change course and allow the supersonic airliner to land in New York -- at least on a trial basis, as at Dulles.

Meanwhile, in Washington the Federal Aviation Administration (FAA) reported that the noise level of Concorde while taking-off from Dulles Airport had dropped in February from the levels of the previous months -- though the number of complaints from people living in the area rose from 64 in January to 90 last month.

The report, issued yesterday, said that the average noise made by Concorde in taking-off last month was 116.3 perceived decibels, as against 120.2 in

January and an average of 119.6 for the first nine months of service.

As to landings, the average February noise level was 114.1 perceived decibels, slightly up on the 113.2 recorded in January but below the 117.2 representing the average for the first nine months.

In commenting on the rise in the number of complaints last month, observers noted that it might have come from the fact that Concorde got a lot of publicity last month in connection with President Jimmy Carter's statements favouring trial Concorde service to New York, but noting that he had no authority to order such service.

Defenders of the environment living near Dulles may have decided it was a good time to lift their voices in protest.

February's Saudi oil output was below average again, weekly oil survey says

BAHRAIN, March 15 (R). — Saudi Arabian oil production last month was again well below target and appeared to have averaged about nine million barrels a day.

reils of crude oil a day, according to the authoritative oil weekly MIDDLE East Economic Survey (MEES).

Bad weather which stopped oil shipments from Saudi Arabia's main oil terminal at Ras Tanura in the Gulf was again partly responsible for the country's failure to reach its target of 10 million barrels a day during the first quarter of this year, the Nicosia-based weekly added in this week's issue.

Although official Saudi figures have not yet been published, preliminary indications suggest

production by the Arabian American Oil Company (ARAMCO) averaged around nine million barrels a day, the weekly said.

The weekly said that world demand at the moment seemed sufficient to sustain relatively high production rates in both Saudi Arabia and Iran, respectively the world's biggest and second biggest oil exporters.

MEES argued last week that such high demand would tend to lengthen the life of the present two-tier oil price system in force since the beginning of the year.

ECONOMIC NEWS BRIEFS

AMMAN, March 15 (R). — Mr. Taher Tawfiq, Chairman of Iraq's Higher Agricultural Council, yesterday opened the third Technical Conference of Arab Agricultural Engineers, Baghdad Radio reported. The conference is being held under the slogan: "Integration of Arab manpower for rural development," the radio added.

OTTAWA, March 15 (AFP). — Nearly a score of nations have begun talks here on North-West Atlantic fishing in the light of the new 200-mile limit. The chief topic was the future of the International Commission for North-West Atlantic Fishing (ICNAF) which has 17 members. The United States has quit the body but is sitting in as an observer at the present gathering, which opened yesterday. The decision by the U.S. and Canada to extend their fishing limits to 200 miles from last Jan. 1 means that ICNAF loses 80 per cent of the zone it controls, -- and with it, 95 per cent of its catch.

WASHINGTON, March 15 (R). — Petroleum provided nearly half of America's energy in 1976, a year in which total energy use increased by 4.8 per cent after declining in the two previous years, the Interior Department said yesterday. The department said energy use totalled 73,999 trillion British Thermal Units (18,648 trillion kilo-calories), in 1976. The record for energy use is 74,555 trillion units (18,788 trillion kilocalories), set in 1973. Petroleum was the largest energy source, supplying 47.2 per cent of all energy needs. Almost half of this was imported.

KUWAIT, March 15 (R). — Kuwait newspaper and printing press owners have formed a four-million dinar (\$8 million) paper company, it was announced today. The government will have a 30-per-cent stake in the company, whose task will be to import and eventually manufacture paper, the announcement said.

WALL STREET REPORT

Prices managed another good advance Tuesday on the New York stock exchange where the Industrial average gained nearly 7 points in active trading.

The average had already climbed more than 10 points on Monday and the continuing rally seemed to be fuelled by renewed confidence about the market and the U.S. economy among American investors, especially institutions.

However, waves of profit-taking appeared throughout the session and the market did not close at its highest level of the day. Gainers led losers at the bell by a wide 964 to 507 margin.

Auto issues were strong as car manufacturers issued good sales reports for the first ten days of March. Aluminium, airline and gold mines shares also posted some sizeable gains. Sony was the most active issue today, unchanged at \$10.

At the close, the industrial average shows at 965.09, a gain of 6.73 points: Transp at 227.36, a gain of 2.00; utilities at 106.40, a loss of 0.16. 23,960,000 shares changed hands, of which 3,980,000 during the last hour.

LONDON MARKET REPORT

The market Tuesday closed narrowly mixed after a quiet session, dealers said. At 15:00 the F.T. index was down 1.4 at 427.4. Government bonds were mixed with a fall in money market interest rates making for gains of 1/4 among short- and medium-dated loans. Longer maturities eased around 1/4 on profit-taking.

Equities also met profit-taking but some issues firmed. Unilever gave back 10p of its sharp rise Monday. Gold shares were mixed but with a firmer bias.

A.P. Cement, Fisons, Guest Keen, Hawker, Shell, Tube Investments, Vickers and Metal Box showed red falls of 3p to 7p. J. Lucas, Bowater, Glaxo and ICI firmed between 3p and 5p.

Overseas traders met more interest but some softened on profit-taking. Rio Tinto Zinc and Esperanza were both around 7p up.

Brooke Bond was 1-1/2p easier after half-year profits which were in line with expectations, dealers noted. Judge International advanced to 23p from 11p overnight after the agreed 25p cash offer from BSR, unchanged at 127.

Price of gold closed in London Tuesday at \$146.45/oz.

هكذا صحت القصة